

Edgar Filing: First Bancorp, Inc /ME/ - Form 10-Q

First Bancorp, Inc /ME/  
Form 10-Q  
August 07, 2009  
UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

**FORM 10-Q** x Quarterly Report Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

For the quarterly period ended **June 30, 2009**

Commission File Number **0-26589**

**THE FIRST BANCORP, INC.**

(Exact name of Registrant as specified in its charter) **MAINE 01-0404322**

(State or other jurisdiction of incorporation or organization)(I.R.S. Employer Identification No.)

**MAIN STREET, DAMARISCOTTA, MAINE 04543**

(Address of principal executive offices) (Zip code)

**(207) 563-3195**

Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes  No

Indicate the number of shares outstanding of each of the registrant's classes of common stock as of August 5, 2009

Common Stock: 9,723,306 shares

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**Part I. Financial Information****Selected Financial Data (Unaudited)**

The First Bancorp, Inc. and Subsidiary

<i>Dollars in thousands, except for per share amounts</i>	<b>For the six months ended</b>		<b>For the quarters ended</b>	
	<b>June 30</b>		<b>June 30</b>	
	<b>2009</b>	2008	<b>2009</b>	2008
<b><i>Summary of Operations</i></b>				
Interest Income	<b>\$ 32,869</b>	\$ 35,844	<b>\$ 16,251</b>	\$ 17,514
Interest Expense	<b>10,359</b>	18,085	<b>4,814</b>	8,572
Net Interest Income	<b>22,510</b>	17,759	<b>11,437</b>	8,942
Provision for Loan Losses	<b>4,600</b>	1,439	<b>2,950</b>	939
Non-Interest Income	<b>5,549</b>	4,694	<b>2,963</b>	2,518
Non-Interest Expense	<b>13,021</b>	10,874	<b>6,234</b>	5,425
Net Income	<b>7,490</b>	7,194	<b>3,762</b>	3,603
<b><i>Per Common Share Data</i></b>				
Basic Earnings per Share	<b>\$ 0.72</b>	\$ 0.74	<b>\$ 0.35</b>	\$ 0.37
Diluted Earnings per Share	<b>0.72</b>	0.74	<b>0.35</b>	0.37
Cash Dividends Declared	<b>0.390</b>	0.375	<b>0.195</b>	0.190
Book Value	<b>12.51</b>	11.84	<b>12.51</b>	11.84
Tangible Book Value <sup>2</sup>	<b>9.66</b>	8.99	<b>9.66</b>	8.99
Market Value	<b>19.47</b>	13.65	<b>19.47</b>	13.65
<b><i>Financial Ratios</i></b>				
Return on Average Equity <sup>1</sup>	<b>12.48%</b>	12.68%	<b>12.60%</b>	12.63%
Return on Average Tangible Equity <sup>1,2</sup>	<b>16.18%</b>	16.76%	<b>16.40%</b>	16.66%

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Return on Average Assets <sup>1</sup>	<b>1.10%</b>	1.16%	<b>1.11%</b>	1.15%
Average Equity to Average Assets	<b>10.54%</b>	9.17%	<b>10.46%</b>	9.13%
Average Tangible Equity to Average Assets <sup>2</sup>	<b>8.52%</b>	6.94%	<b>8.43%</b>	6.92%
Net Interest Margin Tax-Equivalent <sup>1,2</sup>	<b>3.68%</b>	3.23%	<b>3.76%</b>	3.21%
Dividend Payout Ratio	<b>54.17%</b>	50.68%	<b>55.71%</b>	51.35%
Allowance for Loan Losses/Total Loans	<b>1.20%</b>	0.82%	<b>1.20%</b>	0.82%
Non-Performing Loans to Total Loans	<b>1.57%</b>	0.40%	<b>1.57%</b>	0.40%
Non-Performing Assets to Total Assets	<b>1.36%</b>	0.29%	<b>1.36%</b>	0.29%
Efficiency Ratio <sup>2</sup>	<b>40.78%</b>	45.97%	<b>41.40%</b>	45.02%
<b>At Period End</b>				
Total Assets	<b>\$1,369,986</b>	\$1,285,373	<b>\$1,369,986</b>	\$1,285,373
Total Loans	<b>982,336</b>	951,814	<b>982,336</b>	951,814
Total Investment Securities	<b>298,292</b>	246,378	<b>298,292</b>	246,378
Total Deposits	<b>913,949</b>	842,120	<b>913,949</b>	842,120
Total Shareholders' Equity	<b>146,198</b>	114,758	<b>146,198</b>	114,758

<sup>1</sup>Annualized using a 365-day basis in 2009 and a 366-day basis in 2008

<sup>2</sup>These ratios use non-GAAP financial measures. See Management's Discussion and Analysis of Financial Condition and Results of Operations for additional disclosures and information.

**Item 1 Financial Statements**

**Report of Independent Registered Public Accounting Firm**

The Board of Directors and Shareholders

The First Bancorp, Inc.

We have reviewed the accompanying interim consolidated financial information of The First Bancorp, Inc. and Subsidiary as of June 30, 2009 and 2008 and for the three-month and six-month periods then ended. These financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit in accordance with standards of the Public Company Accounting Oversight Board (United States), the objective of which is to express an opinion regarding the financial statements taken as a whole.

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Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial statements for them to be in conformity with accounting principles generally accepted in the United States of America.

/s/ Berry, Dunn, McNeil & Parker

Portland, Maine

August 7, 2009

### *Consolidated Balance Sheets (Unaudited)*

The First Bancorp, Inc. and Subsidiary

<i>In thousands of dollars</i>	<b>June 30, 2009</b>	December 31, 2008	June 30, 2008
<b>Assets</b>			
Cash and due from banks	<b>\$ 18,575</b>	\$ 16,856	\$ 19,997
Securities available for sale	<b>35,972</b>	13,072	22,157
Securities to be held to maturity			
(fair value \$247,100 at June 30, 2009, \$229,460 at December 31, 2008 and \$206,475 at June 30, 2008)	<b>247,627</b>	234,767	209,528
Federal Home Loan Bank and Federal Reserve Bank stock, at cost	<b>14,693</b>	14,693	14,693
Loans held for sale (fair value approximates cost)	<b>3,162</b>	1,298	2,253
Loans	<b>982,336</b>	979,273	951,814
Less: allowance for loan losses	<b>11,752</b>	8,800	7,800
Net loans	<b>970,584</b>	970,473	944,014
Accrued interest receivable	<b>7,140</b>	5,783	7,886
Premises and equipment	<b>18,610</b>	16,028	16,046
Other real estate owned	<b>2,797</b>	2,428	1,558
Goodwill	<b>27,684</b>	27,684	27,684
Other assets	<b>23,142</b>	22,662	19,557
<b>Total Assets</b>	<b>\$1,369,986</b>	\$1,325,744	\$1,285,373
<b>Liabilities</b>			
Demand deposits	<b>\$ 63,266</b>	\$ 68,399	\$ 62,755
NOW deposits	<b>100,283</b>	108,188	108,543
Money market deposits	<b>104,803</b>	129,333	114,096
Savings deposits	<b>86,305</b>	82,867	87,023
Certificates of deposit under \$100,000	<b>202,039</b>	246,152	339,620
Certificates \$100,000 and over	<b>357,253</b>	290,797	130,083
Total deposits	<b>913,949</b>	925,736	842,120
Borrowed funds	<b>297,361</b>	272,074	317,055
Other liabilities	<b>12,478</b>	10,753	11,440
Total Liabilities	<b>1,223,788</b>	1,208,563	1,170,615
<b>Shareholders Equity</b>			
Preferred stock	<b>24,557</b>	-	-
Common stock	<b>97</b>	97	97
Additional paid-in capital	<b>44,958</b>	44,117	44,030

Retained earnings